

KITTITAS COUNTY, WASHINGTON
January 1, 1993 Through December 31, 1993

Schedule Of Findings

1. The Public Works Department Should Comply With Competitive Bid Requirements

Kittitas County Public Works Department purchased gravel from Cresto Lamphere General Contractors in the amount of \$94,062.50. This contract was not advertized for bid.

Revised Code of Washington (RCW) 36.32.245 states in part:

Competitive bids - Requirements - Advertisements - Exceptions - (1) No contract for the purchase of materials, equipment, or supplies may be entered into by the county legislative authority or by any elected official or appointed officer of the county until after bids have been submitted to the county.

The former public works director's understanding of the bidding requirements allowed that contracts involving crushed rock, which were to be used for routine maintenance, were not required to go out for bid.

When the established purchasing and bidding requirements are circumvented, the county's management cannot assure the public that the most prudent use of tax dollars is occurring.

We recommend the public works department adhere to RCW 36.32.245 Competitive Bids - Requirements to ensure the public that the most prudent use of tax dollars is occurring.

2. The County's Annual Financial Report Should Be Prepared, Certified, And Submitted To The State Auditor's Office In A Timely Manner

The county's 1993 annual financial report was not prepared, certified, or submitted to the State Auditor's Office and made available for public review until February 17, 1995.

RCW 43.09.230 states in part:

Division of municipal corporations - Annual reports - Comparative statistics. The state auditor shall require from every taxing district and other political subdivisions financial reports covering the full period of each fiscal year, in accordance with the forms and methods prescribed by the state auditor, which shall be uniform for all accounts of the same class.

Such reports shall be prepared, certified, and filed with the division within one hundred fifty days after the close of each fiscal year.

OMB Circular A-128 also requires audit reports to be submitted no later than one year after the end of the audit period.

During 1993, the county auditor's and public works department's priority was in implementing and learning the newly acquired accounting software. In addition, when the October 1993 information was updated the system also included the October 1992 information. Additional time was required for the departments to recreate the month of October 1993 information.

The delay in the preparation of the annual financial report prevents county officials, the public, the federal government, and other interested parties from obtaining financial information in a timely manner. In addition, this delays the audit process and may increase the cost of the audit.

We recommend the annual financial report be prepared, certified and submitted to the State Auditor's Office 150 days after the close of each fiscal year.

3. The County Commissioners Should Enforce RCW 43.09.240 And Resolution 94-41 On Remitting Daily Receipts

During the review of the following decentralized departments: public works, planning, mental health and public health, we noted that the daily receipts were not remitted to the county treasurer or to the depository account in a timely manner.

RCW 43.09.240 states in part:

Every public officer and employee, whose duty it is to collect or receive payments due or for the use of the public shall deposit such moneys collected or received by him or her with the treasurer of the taxing district once every twenty four consecutive hours. The treasurer may in his or her discretion grant an exception where such daily transfers would not be administratively practical or feasible.

Resolution 94-41 states in part:

The deposits shall be made under the following conditions: (1) If the amount of cash exceeds \$100.00; (2) If the total amount of cash and checks accumulated to \$1,000.00 or more; (3) At least once a week unless funds are kept at their own bank account, then once a month.

We noted in our prior audit several other decentralized departments were not adhering to RCW 43.09.240. Many of the decentralized locations are not aware of the requirements and/or do not feel they have time to make these timely remittances.

By not remitting the money to the county treasurer in a timely manner, the county can not obtain maximum investment earnings, and the county is exposed to the risk that errors and/or irregularities could occur and not be detected in a timely manner.

We recommend the departments of the county remit their daily receipts to the county treasurer or depository accounts in accordance with RCW 43.09.240 and Resolution 94-41.

4. County Officials Should Comply With RCW 36.16.060 - Official Bonds

During our audit of the county's insurance and bonding we noted that the county clerk was unable to locate up to date bonds on Don Sorenson - County Commissioner, Ray Owens - County Commissioner, Iris Rominger - County Assessor, and Paul Pangrazzi - Upper District Court Judge.

RCW 36.16.060 states in part:

Every county officer, before entering upon the duties of his office, shall file his oath of office in the office of the county auditor and his official bond in the office of the county clerk

We have informally advised the county clerk, in prior audits, that she is required to have on hand all the official bonds of the elected officials. She is aware of requirements; however, the officials referenced above have not complied.

We recommend county officials comply with RCW 36.16.060.